

2012 Clay County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Clay County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Clay County the average tax bill for all taxpayers increased by 1.0%. This tax bill rise was the result of a 1.6% increase in the tax levy of all local government units and a 4.1% rise in certified net assessed value. Most of the assessment increase was due to a large rise in farmland assessments. Business assessments fell, which may have been a legacy of the recession. Assessment growth exceeded levy growth, so tax rates decreased in most Clay County tax districts. Clay County's large local residential tax credit kept tax cap credits low, at 0.1% of the tax levy.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	1.0%	\$14,939,944	\$820,978,393	0.1%
Change		1.6%	4.1%	0.0%
2011	9.5%	\$14,708,005	\$788,317,126	0.1%

Homestead Property Taxes

Homestead property taxes decreased 0.2% on average in Clay County in 2012. Tax rates in most Clay County tax districts decreased. The county average tax rate fell by 2.5%. Clay County's local residential property tax credit rate increased slightly in 2012. Clay County's low tax rates and high local tax credit meant that only one homestead in the county was eligible for tax cap credits.

Comparable Homestead Property Tax Changes in Clay County

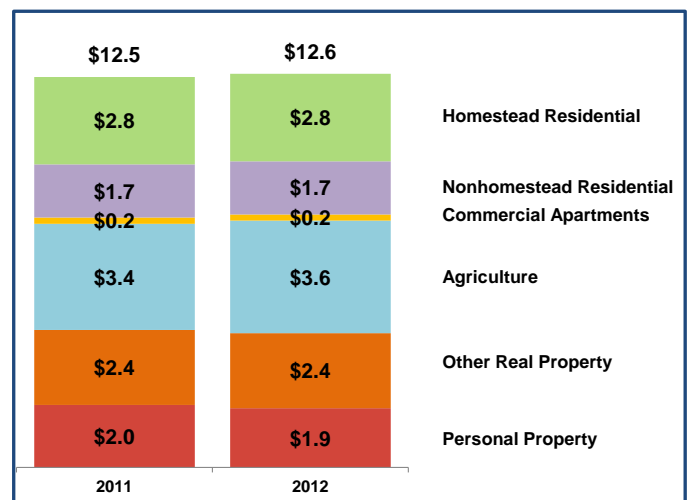
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	2,750	36.5%
No Change	367	4.9%
Lower Tax Bill	4,414	58.6%
Average Change in Tax Bill	-0.2%	
Detailed Change in Tax Bill		
20% or More	648	8.6%
10% to 19%	248	3.3%
1% to 9%	1,854	24.6%
0%	367	4.9%
-1% to -9%	3,529	46.9%
-10% to -19%	513	6.8%
-20% or More	372	4.9%
Total	7,531	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

Most of Clay County's 2012 net property taxes were paid by agricultural property owners, homeowners, and business owners on their land and buildings (other real) and business equipment (personal). Net tax bills for all taxpayers increased 1.0% in Clay County in 2012. Net taxes were higher for agriculture and slightly higher for homesteads, nonhomestead residential (mostly small rentals and second homes) and other real property. Net taxes were lower for owners of commercial apartments and personal property.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates decreased in most Clay County tax districts. The average tax rate fell by 2.5%, because a small levy increase was offset by a larger increase in net assessed value.

Levies in Clay County increased by 1.6%. The largest levy increase was in Clay Community School Corporation, due to increases in its debt service fund and transportation fund. The Shakamak School Corporation experienced decreases in its capital projects, bus replacement, and debt service funds.

Clay County's total net assessed value increased 4.0% in 2012. Agricultural net assessments rose 11.9%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. The decline in business real and personal assessments may have been a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$695,943,930	\$704,464,530	1.2%	\$251,056,363	\$259,225,810	3.3%
Other Residential	129,306,900	130,553,600	1.0%	125,262,820	126,589,347	1.1%
Ag Business/Land	229,783,060	257,375,600	12.0%	228,585,765	255,708,186	11.9%
Business Real/Personal	261,581,190	259,077,015	-1.0%	212,130,640	208,478,977	-1.7%
Total	\$1,316,615,080	\$1,351,470,745	2.6%	\$817,035,588	\$850,002,320	4.0%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Clay County were \$14,206, or 0.1% of the levy. This was much less than the state average percentage of the levy of 9.2% and the median value of 3.2% among all counties. The low tax caps result from Clay County's low tax rates and high local residential credit.

More than half of the total tax cap credits were in the Elderly category, which limits increases in tax bills on older homeowners to 2% per year. No governmental units had tax cap losses more than 0.3% of their levies. Clay Community Schools, the city of Brazil, and the county unit had the largest dollar losses.

Tax Cap Credits by Category

Tax cap credits decreased in Clay County in 2012 by \$3,351, or 19.1%. The percentage of the levy lost to credits remained at 0.1%. Falling tax rates meant that fewer older homeowners qualified for the elderly credit. There were no major changes in state policy to affect tax cap credits in 2012.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$38	\$66	\$28	73.8%
2%	2,639	3,274	635	24.1%
3%	0	0	0	0.0%
Elderly	14,880	10,866	-4,014	-27.0%
Total	\$17,558	\$14,206	-\$3,351	-19.1%
% of Levy	0.1%	0.1%		0.0%

Clay County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	21,419,681	14,310,246	14,416,800	14,708,005	14,939,944	-33.2%	0.7%	2.0%	1.6%
State Unit	21,990	0	0	0	0	-100.0%			
Clay County	3,202,192	3,051,087	3,084,480	3,157,210	3,187,860	-4.7%	1.1%	2.4%	1.0%
Brazil Township	99,283	103,962	103,794	103,319	110,687	4.7%	-0.2%	-0.5%	7.1%
Cass Township	2,801	3,079	3,252	1,652	2,836	9.9%	5.6%	-49.2%	71.7%
Dick Johnson Township	31,006	33,186	33,740	34,628	34,673	7.0%	1.7%	2.6%	0.1%
Harrison Township	40,197	42,110	41,678	41,873	42,795	4.8%	-1.0%	0.5%	2.2%
Jackson Township	23,231	24,506	24,742	24,981	25,873	5.5%	1.0%	1.0%	3.6%
Lewis Township	23,834	23,977	23,896	23,963	22,859	0.6%	-0.3%	0.3%	-4.6%
Perry Township	20,077	21,272	21,060	20,914	20,863	6.0%	-1.0%	-0.7%	-0.2%
Posey Township	66,451	71,748	72,130	73,675	76,220	8.0%	0.5%	2.1%	3.5%
Sugar Ridge Township	17,342	18,511	18,585	19,033	19,687	6.7%	0.4%	2.4%	3.4%
Van Buren Township	75,547	79,059	79,513	79,193	84,225	4.6%	0.6%	-0.4%	6.4%
Washington Township	9,092	9,574	9,709	9,865	10,215	5.3%	1.4%	1.6%	3.5%
Brazil Civil City	1,700,531	1,684,579	1,759,034	1,809,409	1,925,647	-0.9%	4.4%	2.9%	6.4%
Carbon Civil Town	10,890	9,672	10,702	10,775	11,080	-11.2%	10.6%	0.7%	2.8%
Center Point Civil Town	11,549	13,025	13,839	15,018	15,151	12.8%	6.2%	8.5%	0.9%
Clay City Civil Town	135,141	140,287	142,663	146,869	151,923	3.8%	1.7%	2.9%	3.4%
Knightsville Civil Town	33,910	34,089	34,790	37,278	37,901	0.5%	2.1%	7.2%	1.7%
Staunton Civil Town	21,216	22,609	22,782	23,596	24,404	6.6%	0.8%	3.6%	3.4%
Harmony Civil Town	54,604	54,319	49,445	65,502	61,586	-0.5%	-9.0%	32.5%	-6.0%
Clay Community School Corp	14,290,472	7,974,506	7,866,932	7,973,675	8,178,729	-44.2%	-1.3%	1.4%	2.6%
M.S.D. Shakamak School Corp	1,149,709	525,597	620,765	657,047	532,022	-54.3%	18.1%	5.8%	-19.0%
Brazil Public Library	347,683	352,411	361,377	359,965	358,243	1.4%	2.5%	-0.4%	-0.5%
Clay-Owen-Vigo Solid Waste Mgmt Dist	0	0	0	0	0				
Poland Fire Territory (Jackson Township)	17,099	17,081	17,892	18,565	4,465	-0.1%	4.7%	3.8%	-75.9%
Clay County Redevelopment Commission	13,834	0	0	0	0	-100.0%			

Clay County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
11001	Brazil Township	1.7832	--	--	--	--	--	40.6261%	1.0588
11002	Brazil City - Brazil Township	2.9303	--	--	--	--	--	40.6261%	1.7398
11003	Cass Township	1.5111	--	--	--	--	--	40.6261%	0.8972
11004	Dick Johnson Township	1.5601	--	--	--	--	--	40.6261%	0.9263
11005	Harrison Township	1.5148	--	--	--	--	--	40.6261%	0.8994
11006	Clay City Town	2.5488	--	--	--	--	--	40.6261%	1.5133
11007	Jackson Township	1.4917	--	--	--	--	--	40.6261%	0.8857
11008	Brazil City - Jackson Township	2.8755	--	--	--	--	--	40.6261%	1.7073
11009	Lewis Township	1.3374	--	--	--	--	--	40.6261%	0.7941
11010	Perry Township	1.4952	--	--	--	--	--	40.6261%	0.8878
11011	Posey Township	1.5286	--	--	--	--	--	40.6261%	0.9076
11012	Brazil City - Posey Township	2.8981	--	--	--	--	--	40.6261%	1.7207
11013	Staunton Town	1.8503	--	--	--	--	--	40.6261%	1.0986
11014	Sugar Ridge Township	1.5030	--	--	--	--	--	40.6261%	0.8924
11015	Center Point Town	1.7863	--	--	--	--	--	40.6261%	1.0606
11016	Van Buren Township	1.5636	--	--	--	--	--	40.6261%	0.9284
11017	Carbon Town	1.8739	--	--	--	--	--	40.6261%	1.1126
11018	Knightsville Town	1.8896	--	--	--	--	--	40.6261%	1.1219
11019	Harmony Town	2.0654	--	--	--	--	--	40.6261%	1.2263
11020	Washington Township	1.4878	--	--	--	--	--	40.6261%	0.8834

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Clay County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	66	3,274	0	10,866	14,206	14,939,944	0.1%
<i>TIF Total</i>	0	0	0	0	0	166,382	0.0%
<i>County Total</i>	66	3,274	0	10,866	14,206	15,106,326	0.1%
Clay County	9	448	0	2,102	2,558	3,187,860	0.1%
Brazil Township	1	42	0	99	141	110,687	0.1%
Cass Township	0	0	0	0	0	2,836	0.0%
Dick Johnson Township	0	0	0	10	10	34,673	0.0%
Harrison Township	0	1	0	6	7	42,795	0.0%
Jackson Township	0	1	0	21	22	25,873	0.1%
Lewis Township	0	0	0	5	5	22,859	0.0%
Perry Township	0	0	0	2	2	20,863	0.0%
Posey Township	0	0	0	84	84	76,220	0.1%
Sugar Ridge Township	0	0	0	6	6	19,687	0.0%
Van Buren Township	0	3	0	70	73	84,225	0.1%
Washington Township	0	0	0	1	1	10,215	0.0%
Brazil Civil City	28	1,260	0	2,004	3,292	1,925,647	0.2%
Carbon Civil Town	0	0	0	0	0	11,080	0.0%
Center Point Civil Town	0	0	0	5	5	15,151	0.0%
Clay City Civil Town	0	27	0	98	125	151,923	0.1%
Knightsville Civil Town	0	0	0	38	38	37,901	0.1%
Staunton Civil Town	0	0	0	43	43	24,404	0.2%
Harmony Civil Town	0	51	0	112	163	61,586	0.3%
Clay Community School Corp	24	1,237	0	5,657	6,918	8,178,729	0.1%
M.S.D. Shakamak School Corp	0	0	0	127	127	532,022	0.0%
Brazil Public Library	4	206	0	375	586	358,243	0.2%
Clay-Owen-Vigo Solid Waste Mgmt Dist	0	0	0	0	0	0	
Poland Fire Territory (Jackson Township)	0	0	0	0	0	4,465	0.0%
Clay County Redevelopment Commission	0	0	0	0	0	0	
TIF - No Central Econ Dev TIF Orig	0	0	0	0	0	0	
TIF - No Central Econ Dev TIF Exp	0	0	0	0	0	30,923	0.0%
TIF - I-70 SR 59 Jackson	0	0	0	0	0	32,585	0.0%
TIF - I-70 SR 59 Posey	0	0	0	0	0	7,610	0.0%
TIF - IVC Industrail Van Buren PP	0	0	0	0	0	0	
TIF - IVC Industrail Van Buren	0	0	0	0	0	95,264	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.